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CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

OFFICE OF THE DIRECTOR

1 May 1972

Mr. Robert Farr

Dear Mr. Farr:

This is in response to your letter of April 17, 1972 to General Walters.

The matter with which you are dealing is not one which is of concern to this Agency, and I fear we cannot be of assistance to you. With respect to equipment which is available in the United States, may I recommend that you visit the American Consulate nearest you. Perhaps their World Trade Guide will assist you in your search for equipment manufactured here.

Sincerely yours,

Angus MacLean Thuermer
Assistant to the Director

Enclosures

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Executive Registry

Coming 1973 - THE TECHNOLOGICAL SPY A report on industrial espionage, and the information revolution.

DOCUMENTARIES INC.

ROBERT FARR · E. VAN ZYL, Associate

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send STAT

address

18 April 1972

Dear General Walters:

of the CIA.

Deputy Director,

Agency, McLean, Virginia,

United States of America

Major General Vernon A. Walters,

United States Central Intelligence

Congratulations on your recent appointment as Deputy Director

I wonder if you can help me - or refer me to someone who perhaps can help - in obtaining further information about the industrial intelligence activities of Japanese nationals working with their Ministry of Industry, particularly in the United States.

I have been making an in-depth study of the activities and techniques of Japanese nationals - I do not call tham agents, although many of them obviously do the work of espionage agents - in the business communities of Düsseldorf, Germany and Amsterdam, The Netherlands, and I am conducting further research in other communities where they are apparently quite active. I am also anxious to find out as much as I can about the Japanese efforts to steal business markets and proprietary secrets in the United States, in preparation for a research trip to America later this year.

 $\ensuremath{\mathrm{I}}$ seek this information for possible use in a book I have in preparation.

Last fall I wrote an essay, THE TECHNOLOGICAL SPY, which originally was published in <u>Europa</u> magazine, and has since been reprinted in 19 other publications. I enclose a photocopy - but you may note errors in this version which resulted from the editor deleting definitive and qualifying statements from my original manuscript to cut down the length prior to publication.

As a result of this essay, I have been commissioned by two New York publishers - Stein and Day (hardcover) and New American Library, a division of Los Angeles Times (paperback) - to write an authoritative book on industrial intelligence and security problems. This book will be published next spring. Publishers in several other countries have already acquired rights to publish the book as well.

Japan's aggressive "corporate state" policy has fostered industrial espionage activities for that country, motivated not so much by profit as by national need - as you perhaps know. The Ministry of Industry, working through Japanese businessmen around the world are doing a remarkable job of not only acquiring market information and technological knowledge from outside but in gearing Japanese cartels to change to meet situations in which they can gain economic advantages by taking fast action.

I am very much interested in obtaining reliable information and case histories relative to Japanese industrial intelligence activities in the United States. I would like to find out the names of the key Japanese nationals in the USA who are engaged in these activities, what kind of

LITERARY AGENT: Curtis Brown Ltd., 13 King Street (Convent Garden) London WCZE 8HU., Telephone: (0 04 41) 240 24 88, CABLES: Browncurt, London WCZE 8HU.

Maj. Gen. Walters - Page 2

organization they have, their methods of communication with Tokyo, and some of the techniques they use to gather data, such as the "human sea" method which is employed effectively by them in Europe.

Any references or data you can provide to me on this general

subject of Japanese industrial espionage will be very welcome.

Of course, my book is not limited to the Japanese intelligence operations, but will deal with the growing problem of industrial espionage and counter-espionage, business security, and the lack of legislative controls in most countries to restrain such activities. For example, if a person obtains employment with a firm in Britain to use his position to steal proprietary secrets, he can be charged with theft if he steals a document, but if he photographs it there is no offence committed...if it is a business document.

I hope that my book will point out the ultimate destructive. consequences of the unrestrained growth of industrial espionage in terms of destroying economies and free enterprise by breaking down mutual

respect - without which trade cannot exist.

Any information supplied to me by you or any other source will be treated in strict confidence. Unless specific authorization is given to use names, I consider such information as "off the record" and give my sources complete anonymity. In addition all sources will have the opportunity to review the pages of my manuscript based on information supplied by them prior to publication, to check for both accuracy and policy.

I will welcome any assistance that you or your colleagues can

give to me in this matter.

May I hear from you in the near future?

Yours most sincerely, Tobert Fark Robert Farr

RF:ecl Enclosure

P.S. I am also interested in obtaining a list of manufacturers and suppliers of electronic surveillance equipment in the United States, similar to those described in THE TECHNOLOGICAL SPY. Do you know where such a list might be obtained? RF.

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Please make appropriate reply on behalf of Gen. Walters. Since the inquiry deals primarily with foreign industrial espionage in the U. S., it is clearly not in CIA's jurisdiction. Please send us a copy of the reply. Thanks,						
Karl Fold Here to return to sender						
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